



# Totem Lake

## ON TRACK

April 2011



Welcome to the second edition of the Totem Lake bulletin, "On Track." The idea for this publication came from the Totem Lake Symposium hosted by the Kirkland City Council in September, 2010 as a means to announce improvements to the Totem Lake Neighborhood and Business District, communicate regulatory updates, and highlight area businesses.

### Totem Lake Action Plan: Council Sets Priorities for Work Plan

At its April 5, 2011 meeting, the City Council received an update on the 2011-12 [Totem Lake Action Plan](#). The Action Plan, adopted by the Council in December 2010, responds to issues raised at the Totem Lake Symposium in September, 2010, by delineating broad objectives such as stormwater improvements, amenity identification, and improvement of transportation capacity and circulation. Now that specific recommendations by City departments to explore, and in some cases, implement district-wide enhancements over the next two years, have been approved, the Action Plan has become a Workplan.

The City's Park Board has been working with staff on certain objectives of the Action Plan. The Park Board's vision is for a Totem Lake that it is both a signature for the district and an amenity. The lake would become an amenity accessible to the public and link to the Burlington Northern-Sante Fe rail line and to the redeveloped Totem Lake Malls by a trail system. Moreover, this concept could establish 'a there, there,' and catalyze investment throughout the district, remaking Totem Lake into the urban center it was destined to be. ☒

### BUSINESS HIGHLIGHT:

#### *Rairdon's Fiat of Kirkland*

Only 130 of Chrysler's dealers were selected to carry Fiat automobiles and Greg Rairdon is pleased and proud to announce that he is one of them. Fiat of Kirkland will be opening in the spring of 2011 and will sell the Fiat 500, a minicar featuring a 1.4 liter 100 horsepower engine.

A self-described car guy, Rairdon learned the business working for Chuck Olson Chevrolet in Lynnwood. He opened his first Dodge Chrysler Jeep Ram dealership in Smokey Point, Bellingham and Monroe. Rairdon purchased the Kirkland Chrysler Jeep dealership from the McIntosh family in 2007. He added both Dodge and Ram to his offerings in Kirkland.

See "Rairdon Fiat," page 2



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## Rairdon Fiat

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Weathering Chrysler's near collapse in 2009, Rairdon's strong sales performance (#1 volume dealer in Washington State and #4 on the West Coast) helped him to stay in the game and remain open when over 25% of Chrysler's dealers were terminated.

Rairdon gives Fiat CEO Sergio Marchionne high marks for moving swiftly to improve the quality of Chrysler's products and to lay the groundwork for the re-introduction of the Fiat brand in the United States after a more than 25-year absence.



Building a showroom and space for up to 100 vehicles was a prerequisite for Rairdon to be named a Fiat dealer. He purchased land adjacent to his existing dealership, and received expedited service from Kirkland departments, including dealing with a bordering wetland, to meet a tight schedule for opening. While Rairdon appreciates the competent guidance he received from the City, he believes simplifying and streamlining the permitting process would encourage future investments in Totem Lake.

Rairdon attended the Totem Lake Symposium in September 2010 at which he spoke out about the importance of promoting a healthy automobile business cluster in Totem Lake. The area is home to the majority of Kirkland's car dealers. In addition to Rairdon, they include Toyota of Kirkland, Hyundai of Kirkland, Ford of Kirkland, Infiniti of Kirkland, Eastside Subaru, Eastlake Auto Brokers, Landmark Motors and Kirkland Car Corner. Last year they accounted for 54% of the Totem Lake Business District's retail sales tax receipts. ☒

## City to Partner with Urban Land Institute

In conjunction with the Workplan, the City Council approved the funding of two projects to both promote Totem Lake and provide guidance on the sequence of strategies it should undertake to



revitalize the business district. In that regard, the City is working with the [Urban Land Institute](#) (ULI), one of the most respected real estate and planning think tanks in the country, to bring a team of experts to Kirkland this summer to study Totem Lake and recommend strategies for its redevelopment. The City Council is exploring a Totem Lake task force to follow the ULI effort and continue to monitor and advise the City as the Workplan progresses. ☒

## City Suspends Change of Use Impact Fees for Existing Buildings to Spur Development

At its meeting on January 18, the Kirkland City Council unanimously adopted legislation that suspends transportation impact fees charged to a business when the use of an existing commercial building is changed. The Council's goal for the suspension is to fill vacant storefronts and offices in Kirkland as the vacancy rate had risen to between 25 and 30 percent.

"Tenant improvement and other costs are substantial when moving into an existing space; impact fees were a significant deterrence to choosing Kirkland," notes Ellen Miller-Wolfe, Economic Development Manager. "The City has now removed a major hurdle for new ventures to locate here."

The Council's action was prompted partly by a "Competitive Assessment" conducted in 2010 by Berk & Associates which recommended ways for Kirkland to remain competitive and

See "Impact Fees," page 3

## Another Business Highlight: Pathway Medical Technologies

Totem Lake is home to Pathway Medical Technologies a privately held company backed by private investors and an innovative company created to develop, manufacture, and market medical devices for the treatment of arterial disease. The company's initial focus is treating peripheral arterial disease (PAD) more quickly, safely and effectively than existing technologies.

The company was started in 1998. One of its co-founders, Tom Clement, served as President and CEO until FDA approval and product commercialization were achieved in 2008. Clement has since switched roles with company Board member Paul Buckman.

The company outgrew its previous location in Redmond and needed a new site to accommodate its expansion plans and close to where employees lived. With commutes from places as widely dispersed as Tacoma, Bellingham, Gig Harbor and Seattle, an Eastside, centrally located facility with easy access to I-405 was critical. Of 11 possibilities, Totem Lake was the clear winner. It met the primary selection criteria and offered additional attractions including Kirkland's natural beauty, accessible lakefront, shopping, dining, and cultural and recreational activities.

Most job candidates can be recruited from the local labor pool. While many employees have prior experience in the medical device field, on-the-job training is provided for those who do not.

In 2007 a long-term lease was signed for the 50,000 square foot headquarters building. A multi-million dollar tenant improvement project was undertaken and the building was gutted and transformed into a world-class research and manufacturing facility. It includes a clean room, machine shop and administrative offices and is home to most of the company's 150 employees. Branch offices throughout the U.S. house the direct sales force which interfaces with hospitals and clinics that treat patients for vascular disease. ☒



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### Impact Fees

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reduce vacancy rates during recessionary times. One specific recommendation was to suspend transportation impact fees for changes in use that do not involve adding new square footage.

State law authorizes the collection of impact fees to help defray the costs of new transportation infrastructure. Currently the City collects impact fees on all new development including development/redevelopment of an existing structure from one use (e.g. furniture store) to another use (e.g. auto parts store). The temporary suspension does not affect the collection of impact fees for new development or the enlargement of existing buildings. The fee suspension, which automatically ends on December 31, 2013, will be reviewed when the City conducts an impact fee study in 2013. ☒



## A Plan to Address the Flood Hazard

A key task in the Totem Lake Workplan is the refurbishing of the stormwater retention system to eliminate the flooding that plagues several key properties. The overall goal of the current work is to develop a plan for reducing the severity and frequency of flooding in the Totem Lake area. The work is being phased to match existing funding and to build on the results of work done at each step of the project.

The City has hired CH2MHill and the project is expected to begin in late April, 2011. The focus of work this summer will be inspecting and cleaning system between Totem Lake and I-405, installing water level monitoring equipment, and developing a hydraulic model of the system that will allow for testing of potential solutions to the flooding. For more information, contact Jenny Gaus, Kirkland Public Works at 425-587-3850 or [jgaus@kirklandwa.gov](mailto:jgaus@kirklandwa.gov). 

### Totem Lake Business Data

(December 10, 2010 – March 31, 2011)

	# of businesses	# of employees
<b>New businesses</b> (licensed by the City)	42	167
<b>Businesses closed</b>	33	227
<b>Net new businesses</b>	9	(60)
<b>Total businesses</b>	724	10,076

This bulletin was prepared by the  
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Look for the next issue of On Track in July 2011.

[www.kirklandwa.gov/business](http://www.kirklandwa.gov/business)

Totem Lake Action Plan  
[www.kirklandwa.gov/totemlakeaction](http://www.kirklandwa.gov/totemlakeaction)

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## Annexation Countdown and Update

Just as the final transitions are being made between King County and the City of Kirkland for the annexation of Finn Hill, North Juanita, and Kingsgate, so are the final plans to help welcome the City's new residents. The official date of annexation is June 1, 2011 and more than 31,000 residents become official residents of the City. Totem Lake will be the center of the new center. A citizens committee has been hard at work to plan the following activities:

**Wednesday, June 1, Open House, Kirkland City Hall, 4-7 pm.** Attend the Welcome by City and other officials; meet staff, advisory board volunteers, and neighborhood association members; visit information booths to learn about city and other services; and enjoy light refreshments.

**Thursday, June 2, Business Breakfast, Caribbean Casino, 7:30-9:30 a.m.** Get an insider's view to Kirkland Police Department from Capt. Mike Ursino. To make your reservation, email [businessbreakfast@kirklandwa.gov](mailto:businessbreakfast@kirklandwa.gov) by May 20.

**Friday, June 3, Community Celebration, Juanita Beach Park, 6 p.m.** City officials will kick off the evening with a welcome and will serve free strawberry shortcake. Enjoy musical performances. Visit City information booths and Police and Fire Department vehicle displays. The Juanita Friday Market will be happening from 3-7 p.m. and a free Outdoor Movie in the Park will show at dusk (provided by Carillon Properties).

**For annexation information**  
visit [www.kirklandwa.gov/annexation](http://www.kirklandwa.gov/annexation)  
or email [annexation@kirklandwa.gov](mailto:annexation@kirklandwa.gov).

